GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5315
ANSWERED ON:29.04.2005
RESTRUCTURING OF UTI AND IDBI
Adsul Shri Anandrao Vithoba

Will the Minister of FINANCE be pleased to state:

(a) the details of the non-performing assets of UTI and IDBI during each of the last three years;

(b) whether the Government proposes to restructure UTI and IDBI to revitalise their organisations; and

(c) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM):

(a) Details of non-performing assets (NPAs) of SUUTI and IDBI are given in the statement enclosed.

(b) and (c) UTI has been restructured with effect from February 1, 2003. The Unit Trust of India Act, 1963 has been repealed paving for the bifurcation of UTI into two entitiesâ€"Specified Undertaking of the Unit Trust of India (SUUTI); and UTI Mutual Fund (UTIMF). While SUUTI manages schemes which involve the commitment of the Government of India, UTIMF manages the pure Mutual Fund schemes/products, which are fully SEBI complaint. The Government have taken adequate measures to revitalize IDBI as follows:â€"

(i) IDBI Act, 1944 has been repealed and IDBI has been vested with a banking license to enable IDBI to access low cost deposits.

(ii) Amalgamation of IDBI Bank with IDBI Ltd. has been permitted.

(iii) Stressed Assets Stabilisation Fund has been set up as a Trust outside the books of IDBI Ltd. to which IDBI Ltd. has transferred its non-performing assets amounting to Rs. 9000 crore.

Statement

Non Performing Asset of SUUTI

Period	Gross NPA`s (Rs.in crore)	Net NPA`s (Rs.in crore)
As on 31-3-2003	6230.77	427.48
As on 31-3-2004	5984.91	0.00
As on 31-3-2005	4748.01	0.00

1. As on march 31, 2004 NPA`s have been fully provided.

2. Gross NPA`s have dropped by Rs. 1482 crore during the past two years on account of recoveries.

Non Performing Asset of IDBI Ltd.

Period	Gross NPA`s (Rs.in crore)	Net NPA`s (Rs.in crore)
2001-02	79.00	3873.00
2002-03	8751.00	7517.00
2003-04	10292.00	8693.00